

The opinion in support of the decision being entered today was **not** written for publication and is **not** binding precedent of the Board.

Paper No. 41

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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**Ex parte OLAF VANCURA**

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Appeal No. 2004-0357  
Application No. 09/372,560

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ON BRIEF

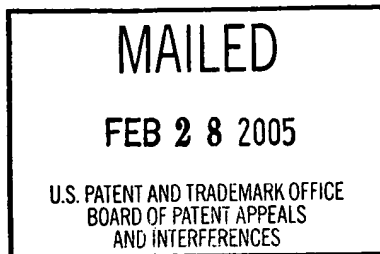
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Before RUGGIERO, DIXON, and LEVY, **Administrative Patent Judges.**  
DIXON, **Administrative Patent Judge.**

**DECISION ON APPEAL**

This is a decision on appeal from the examiner's final rejection of claims 1, 2, 4-30, 42-47, 49-55, 57, 58, and 130-132, which are all of the claims pending in this application.

We REVERSE.



## BACKGROUND

The Appellant's invention relates to a knowledge-based casino game and method therefor. An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below.

1. A method for playing a casino game comprising:

receiving a wager for the casino game,

playing an underlying game of chance in the casino game,

awarding payoffs when play of the underlying game of chance results in a winning combination,

playing a knowledge-based bonus game in the casino game using answers from a player when a bonus condition occurs in the underlying game, playing the knowledge-based game after playing the game of chance without any intervening game which would affect the payoff of the game of chance, the play of the knowledge-based game having a bonus payoff separate from the payoffs awarded in the play of the underlying game of chance so that the entitled payoffs are made for the underlying game regardless of the outcome of the knowledge-based game, the combined play of both the knowledge-based bonus game with the underlying game of chance over time having a house advantage for the casino game within a predetermined range, the predetermined range having set limits based on the correctness of the answers and the wager.

The prior art references of record relied upon by the examiner in rejecting the appealed claims are:

|                        |           |                       |
|------------------------|-----------|-----------------------|
| Thompson               | 5,178,545 | Jan. 12, 1993         |
| Keller, Jr. (Keller)   | 5,718,429 | Feb. 17, 1998         |
| Walker et al. (Walker) | 6,193,606 | Feb. 27, 2001         |
|                        |           | (Filed Jun. 30, 1997) |

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|                            |              |               |
|----------------------------|--------------|---------------|
| Evans                      | GB 2,197,974 | Jun. 02, 1988 |
| Claypole et al. (Claypole) | GB 2,262,642 | Jun. 23, 1993 |

Claims 1, 2, 4-30, 42-47,<sup>1</sup> 49-55, 57, and 58 stand rejected under 35 U.S.C. § 102 as being anticipated by Walker. Claims 1, 2, 4, 9-30, 42-47, 49-55, 57, and 58 stand rejected under 35 U.S.C. § 102 as being anticipated by Claypole. Claims 1, 2, 4-7, 12, 13, 18, 42-46, 50, 55, 57, and 58 stand rejected under 35 U.S.C. § 102 as being anticipated by either Keller or, in the alternative, Evans. Claims 8-11, 14-17, 19-30, 47, 49, 51-54, 56, and 58 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over either Keller or, in the alternative, Evans in view of Thompson. Claims 130-132 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Walker, Claypole, Keller or Evans in view of matters well known to mathematics and gaming.

Rather than reiterate the conflicting viewpoints advanced by the examiner and appellant regarding the above-noted rejections, we make reference to the examiner's answer (Paper No. 35, mailed May 16, 2003) for the examiner's reasoning in support of the rejections, and to appellant's brief (Paper No. 33, filed Feb. 24, 2003) and reply brief (Paper No. 36, filed Jul. 10, 2003) for appellant's arguments thereagainst.

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<sup>1</sup>We note that claim 47 remains on appeal, but has not been included in the appendix.

## OPINION

In reaching our decision in this appeal, we have given careful consideration to appellant's specification and claims, to the applied prior art references, and to the respective positions articulated by appellant and the examiner. As a consequence of our review, we make the determinations which follow.

In determining novelty, the first inquiry must be into exactly what the claims define. **In re Wilder**, 429 F.2d 447, 450, 166 USPQ 545, 548 (CCPA 1970). Similarly, a Section 103 analysis begins with a key legal question -- what is the invention claimed? **Panduit Corp. v. Dennison Mfg. Co.**, 810 F.2d 1561, 1567, 1 USPQ2d 1593, 1597 (Fed. Cir. 1987).

As our reviewing court states, "[t]he terms used in the claims bear a 'heavy presumption' that they mean what they say and have the ordinary meaning that would be attributed to those words by persons skilled in the relevant art." **Texas Digital Sys., Inc. v. Telegenix, Inc.**, 308 F.3d 1193, 1202, 64 USPQ2d 1812, 1817 (Fed. Cir. 2002), **cert. denied**, 123 S.Ct. 2230(2003).

A patent is invalid for anticipation when the same device or method, having all of the elements contained in the claim limitations, is described in a single prior art reference. **Richardson v. Suzuki Motor Co.**, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 Fed. Cir.

1989); **Perkin-Elmer Corp. v. Computervision Corp.**, 732 F.2d 888, 894, 221 USPQ 669, 673 (Fed. Cir. 1984). An anticipating reference must describe the patented subject matter with sufficient clarity and detail to establish that the subject matter existed in the prior art and that such existence would be recognized by persons of ordinary skill in the field of the invention. **See In re Spada**, 911 F.2d 705, 708, 15 USPQ 1655, 1657 (Fed. Cir. 1990); **Diversitech Corp. v. Century Steps, Inc.**, 850 F.2d 675, 678, 7 USPQ2d 1315, 1317 (Fed. Cir. 1988).

The novel aspects of the invention must be disclosed and not left to inference, that is, a patentee may not rely on the inference of a person of ordinary skill in the pertinent art to supply such novel aspects. **See Genentech Inc. v. Novo Nordisk A/S**, 108 F.3d 1361, 1366, 42 USPQ2d 1001, 1005 (Fed. Cir. 1997) (stating that the knowledge of a hypothetical person of ordinary skill in the art cannot be used to supply the patentable aspects of the invention).

"Deficiencies of the cited references cannot be remedied by the Board's general conclusions about what is 'basic knowledge' or 'common sense.'" **In re Zurko**, 258 F.3d 1379, 1385, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001). Furthermore, "the Board's findings must extend to all material facts and must be documented on the record, lest the 'haze of so-called expertise' acquire insulation from accountability." **In re Lee**, 277 F.3d 1338,

1345, 61 USPQ2d 1430, 1435 (Fed. Cir. 2002). Here, we find the Examiner's arguments to be supported merely by the Examiner's own expertise instead of the evidence of record and the teachings of prior art which are required in order to establish a *prima facie* case of anticipation. Accordingly, we do not sustain the 35 U.S.C. §§ 102 and 103 rejections of any of claims. A discussion of the applied prior art is below

### **35 U.S.C. § 102**

#### **WALKER**

While Walker teaches a combination of a slot machine and a trivia game with the ability to access higher rewards (Walker abstract), we find that Walker does not teach the use of two payoffs as required by the language of all of the independent claims. Walker teaches that the payoff from the game of chance is either raised or reduced based upon a correct or incorrect answer to the trivia question. Therefore, Walker teaches a single payoff. Additionally, we find that the spinning of the reels each iteration of the game of chance would not amount to the occurrence of a bonus condition after the game of chance to initiate the game of skill.

From our review of the teachings of Walker, we find that Figure 10 teaches that the house advantage or the payoff would vary. Therefore, we find that the payoff would be variable for the game of chance and would be different for the combination of the

game of chance with the trivia game. Therefore, there would have been a range of house advantages since it would change for different levels of participation.

We find that the examiner makes one material error with respect to "casino games" that these games of chance all have a consideration of house percentage and that it is "rudimentary to the design of wagering games." (Answer at page 6.) While it is true that house percentage is essential to the financial well being of a casino, we do not find that all machines and games must "necessarily" have a positive house advantage since some machines are used as noise makers and used as attractions rather than as moneymakers. While we can agree that house advantage is a consideration, we cannot agree with the examiner that the house advantage would be within a predetermined range and that range would have set limits based on the correctness of the answers and the wager as recited in independent claim 1. Therefore, we cannot sustain the rejection of independent claims 1, 19, 25 and 42 and their dependent claims based on Walker.

Additionally, we note that the examiner has argued throughout the prosecution that many of the features of the claimed invention are old and well known or known in the art, but we note that one of the requirements to support a rejection under 35 U.S.C. § 102 is that a single prior art reference must teach or disclose the totality of the

claimed invention. Therefore, the mere fact that certain facts were old and well known is not sufficient to support a finding of anticipation unless those additional facts or features MUST NECESSARILY have been present in the applied reference.

Additionally, the examiner cites "Smart Casino Gambling," by Olaf Vancura that "almost all games enjoy[s] a positive expectation" to support a finding that the house advantage was known and present. Here, we agree with the quotation that almost all games enjoy a positive house advantage, but not all. Therefore, we find that it need not be inherent, but may or may not be obvious that it is desirable to have a positive house advantage in all casino games. We make no determination thereto.

### **CLAYPOLE**

While Claypole teaches the use of game of skill , such as a quiz game, (Claypole at pages 3, 4, and 7), Claypole does not specifically address that the outcome of the combination of game of chance and game of skill would have separate payoffs. (Reply brief at pages 14-15.) From our review of the teachings of Claypole, we find no clear discussion that there are two separate payoffs for the two portions of the combined game. The examiner maintains that Claypole teaches the separate payoffs by the discussion of the player using the collect button. (Answer at page 10, Claypole at page 12.) While this shows the ability to collect the winnings from the



game of chance, there is no discussion of how the payoff of the trivia or quiz game would be made and what the wager would be.

From our review of the Claypole reference, we find that Claypole is silent as to the payoffs and the house advantage. We find Claypole to be a general teaching of multiple variations on combined games with little detail thereto. The examiner again maintains that it would be inherent that the house advantage would have been present. The examiner maintains that evidence attached to the answer shows "the tendency and ability of one skilled in the art to consider the house percentage when designing a casino game." (Answer at page 10.) We agree with the examiner in general, but find no teaching within the reference with respect to the house advantage being any more than a singular value. Therefore, we cannot agree with the examiner that the claimed house advantage would have been inherent within the teachings of Claypole. Accordingly, we cannot sustain the rejection of the independent claims based upon the teachings of Claypole since Claypole does not teach all of the claimed limitations.

#### **KELLER**

Keller teaches the combination of the game of chance tied by the use of a payoff of an non-monetary token which may only be used to obtain access to a physical or mental game of skill. If the player is successful in the game of skill, the individual is

awarded a prize based upon the indicium on their token. Here, we agree with appellant that the Keller game combination is more of a combination for entertainment in areas with limited ability to play games of chance for monetary gain. (Brief at pages 18 and 19.) Appellant argues that there is no bonus condition in the game of chance. (Brief at page 19.) While we agree with appellant concerning the payoff from the game of chance in Keller, we find no limitation on what the payoff of the game of chance must be. Here Keller has two separate and different payoffs and the winning token in the game of chance must be used as a entry into the game of skill. Therefore, Keller teaches the use of two payoffs, but requires that first payoff to be used to enter the game of skill. While it is not the same as in appellant's disclosed method, we agree with the examiner that it is sufficient to meet the limits of the independent claim 1. (Answer at page 10.)

What we do not find is any discussion of house advantage in the teachings of Keller. Again, the examiner maintains that one skilled in the art would have recognized that the casino game of Keller would be profit driven and the house advantage is considered to inherently have a house advantage within a predetermined range. (Answer at page 11.) Again, we agree with appellant that the examiner has gone beyond the express disclosure of Keller and made assumptions which do not have to necessarily occur. Here, the examiner does not identify why the house advantage would have been a range rather than a singular value. Therefore, we cannot agree with

the examiner that the claimed house advantage would have been inherent within the teachings of Keller. Accordingly, we cannot sustain the rejection of independent claims 1 and 42 based upon the teachings of Keller since Keller does not teach all of the claimed limitations.

### **EVANS**

Appellant argues that Evans does not teach the use of two separate payoffs. (Brief at page 21.) We agree with appellant that Evans teaches the use of a game of chance to establish what payoff may be achieved by the subsequent play of a game of skill. Therefore, we agree with appellant's argument at page 21 of the brief that Evans does not provide two separate payoffs. Furthermore, we do not find the occurrence of a bonus condition in the play of the game of chance for the chance to play the game of skill. Here, the examiner seems to maintain that each play of the game of chance would have resulted in a bonus condition. Again, we find this to be an unreasonable interpretation of appellant's claim limitation.

Again, as with the teachings of Walker, Claypole and Keller, we find no teaching or discussion of the use of a house advantage as a range rather than as a singular value. Again, the examiner maintains that casino games are known to have "a house percentage within a 'predetermined range'" (answer at page 11) and that the issue has

been "beat to death throughout the answer." Here again, we cannot agree with the examiner that the house advantage must necessarily be a variable quantity that is within a predetermined range having set limits based on the correctness of the answers and the wager, as recited in the language of independent claims 1 and 42. Therefore, we cannot agree with the examiner that the claimed house advantage would have been inherent within the teachings of Evans. Accordingly, we cannot sustain the rejection of independent claims 1 and 42 based upon the teachings of Evans since Evans does not teach all of the claimed limitations.

**35 U.S.C. § 103**

With respect to independent claims 19 and 25, the examiner maintains that the house advantage is "inherent in casino games." (Answer at page 13.) While the examiner has based the rejection under 35 U.S.C. § 103, the examiner continues to maintain that house advantage is inherent. We again maintain that the house advantage is not inherent, but may or may not be deemed to be an obvious design consideration as also advanced by the examiner. (Answer at pages 11-13.) Yet, we do not find any discussion of having the house advantage as a variable quantity within a set range of predetermined values. Therefore, we cannot sustain the rejection of independent claims 19 and 25 since the examiner relies upon the same bases for the rejection as discussed above with respect to the rejections under 35 U.S.C. § 102

which are not resolved or addressed by the examiner's addition of the teachings of Thompson and an attempt to invoke the additional facts which are common knowledge and elements of design in the modification of the base teachings. Accordingly, we do not find that the examiner has established a *prima facie* case of obviousness, and we cannot sustain the rejection of independent claims 19 and 25 and their respective dependent claims 20-24, and 26-30.

With respect to dependent claims 8-11, 14-17, 47, 49, 51-54, 56, and 58, we do not find that the teachings of Thompson remedy the deficiencies in Keller and Evans. Therefore, we will not sustain the rejection of claims 8-11, 14-17, 47, 49, 51-54, 56, and 58.

With respect to dependent claims 130-132, we cannot agree with the examiner that the mathematics of each well-known game are considered synergistic and that it would have been obvious to one skilled in the art to design the game to achieve the claimed house percentage since the examiner has not shown why it would have been obvious to one of ordinary skill in the art at the time of the invention to have the house advantage set as a range of values rather than as a singular value. Therefore, we cannot sustain the rejection of dependent claims over Walker, Claypole, Keller and Evans in view of known mathematics and gaming.

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### CONCLUSION

To summarize, the decision of the examiner to reject claims 1, 2, 4-30, 42-47, 49-55, 57, and 58 under 35 U.S.C. § 102 is reversed, and the decision of the examiner to reject claims 8-11, 14-17, 19-30, 47, 49, 51-54, 56, 58 and 130-132 under 35 U.S.C. § 103 is reversed.

### REVERSED

  
JOSEPH F. RUGGIERO  
Administrative Patent Judge

  
JOSEPH L. DIXON  
Administrative Patent Judge

  
STUART S. LEVY  
Administrative Patent Judge

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